

# Mandatory Housing Affordability (“MHA”)

A bold strategy for creating affordable housing as Seattle grows

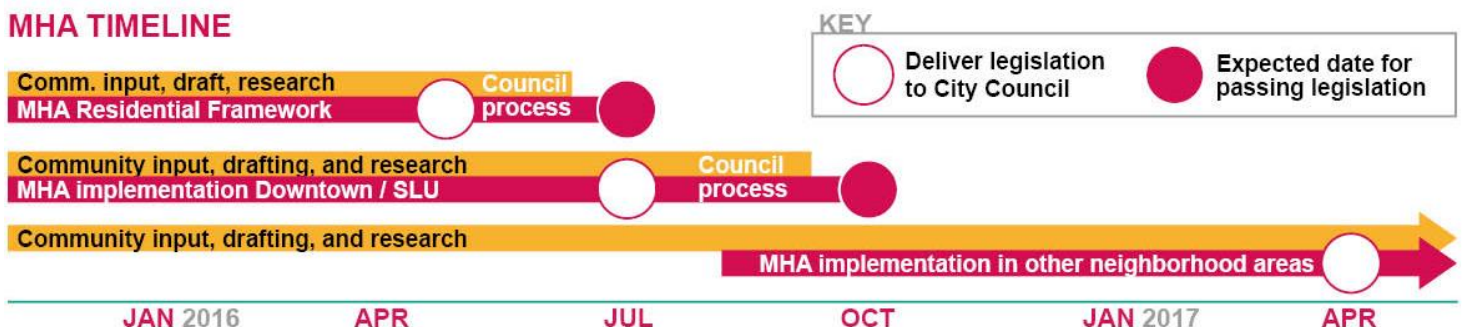
**City’s commitment:** The City’s goal is to create 20,000 affordable homes as part of a strategy to increase its housing supply by 50,000 homes over the next 10 years. Mandatory housing affordability (“MHA”), critical to this overall vision, will provide at least 6,000 of the 20,000 net new rent/income-restricted units for households with incomes no higher than 60% of median income. In 2016, that is approximately \$38,000 for a one-person household and \$54,000 for a four-person household.

**How MHA works:** Affordable housing will be required as commercial and multi-family development occurs. This contribution can be met by including affordable housing within the development or paying into a fund that will be used to create affordable housing throughout the city. The payment and performance options each have unique benefits and are equally important to the success of MHA. With the performance option, a specified percentage of units in a multifamily residential building are ensured to be affordable; the affordable units will be comparable to the market-rate units in that development in terms of size, type (e.g. number of bedrooms), and lease terms. With the payment option, the MHA dollars are able to leverage other funds to create more units of affordable housing than with performance. Payment-funded housing achieves many racial and social justice goals such as increasing housing opportunities in all parts of the City, with strategic focus on addressing unique neighborhood needs (e.g. preservation in areas where displacement risk is high; housing for families with children), and building in locations near transit and other key amenities.

**Implementation:** The initial step is for City Council to adopt MHA framework ordinances for commercial and residential development. The MHA-Commercial framework was adopted in November 2015 and the MHA-Residential framework legislation was delivered to Council in May 2016. MHA requirements included in those frameworks will not go into effect until development capacity increases are approved. This approach is consistent with a state-approved approach for similar programs used by other cities and minimizes the impact of MHA requirements on the cost of new housing. Zoning changes providing additional development capacity would likely be considered as follows: first in Downtown and South Lake Union zones; second in areas where planning efforts have been underway for some time already (e.g. University District; 23<sup>rd</sup>/Jackson/Union); third would be zone-wide changes for multifamily, commercial, and mixed-use zones, to be implemented in 2017 after a 12-month public outreach and engagement process.

**Timing:** The following timeline illustrates the above implementation process.

## MHA TIMELINE



For more information on MHA and the Housing Affordability and Livability Agenda (HALA) generally, go to:  
[www.seattle.gov/HALA](http://www.seattle.gov/HALA).